

Act No. 146
Public Acts of 1999
Approved by the Governor
November 1, 1999
Filed with the Secretary of State
November 1, 1999
EFFECTIVE DATE: November 1, 1999

**STATE OF MICHIGAN
90TH LEGISLATURE
REGULAR SESSION OF 1999**

Introduced by Senator Stille

ENROLLED SENATE BILL No. 485

AN ACT to amend 1943 PA 202, entitled "An act relative to the borrowing of money by municipalities, and the issuance of bonds, notes, and certificates of indebtedness; to provide for tax levies and sinking funds; to create the municipal finance commission, and to prescribe its powers and duties; to prescribe powers and duties of the department of treasury and the state treasurer and of the department of education and the superintendent of public instruction; to impose certain duties, requirements, and filing fees upon political subdivisions of this state; to provide for prior approval of the issuance of municipal obligations and for the issuance of municipal obligations without prior approval upon the existence or occurrence of certain conditions; to provide certain powers to the department of treasury and the department of education to aid municipalities in default of the payment of an obligation to develop and implement refinancing plans; to authorize the issuance of obligations to pay premiums or to establish funds to self-insure for losses; to prescribe penalties; and to repeal all acts and parts of acts inconsistent with the provisions of this act," by amending section 1b of chapter VII (MCL 137.1b), as amended by 1982 PA 469.

The People of the State of Michigan enact:

CHAPTER VII

Sec. 1b. Debt retirement funds, except in the case of a common debt retirement fund maintained by a school district pursuant to section 1223 of the revised school code, 1976 PA 451, MCL 380.1223, shall be accounted for separately and, debt retirement funds, except as provided in section 1a(4) of this chapter, shall be used only to retire the funded indebtedness of the municipality for which the debt retirement fund was created. Debt retirement funds created for the following categories of debt may be pooled or combined for deposit or investment purposes only with other debt retirement funds created for the same category of debt:

- (a) Voted bonds.
- (b) Nonvoted bonds, other than special assessment bonds.
- (c) Special assessment bonds.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate.

Sam E. Randall

Clerk of the House of Representatives.

Approved _____

Governor.